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# The Vulnerability of Women in the Labour Market in Serbia

### **Policy Recommendations**

- 1. Including a gender perspective in employment policies.
- 2. Introducing comprehensive programmes and measures to support the employment of vulnerable categories of women as well as empowering women by improving the career guidance system and developing mentoring programmes.
- 3. Improving the system of employment protection and preventing discrimination.

### Abstract

Gender inequality exists today in all societies around the world, and it is rooted in the social structure and the traditional division of labour. It is inextricably tied to economic progress, social cohesion, and the advancement of democracy, demonstrating its significance and value. As a result of law, the absorption of a gender perspective into other policies, and the development of particular measures for women's development, the European Union has made substantial progress in gender equality during the last decades. As the European Union is a global leader in the promotion of gender equality, particularly in the countries aspiring to join the fullfledged membership status, to Serbia as one of the candidate countries the achieving of the gender equality is high on the priority list.

Discrimination of women is present in many spheres, especially in the labour market in Serbia. In the labour market it is reflected in a very disadvantaged position for women, especially young women and those 45+. On one side, their participation in the labour market is low, while on the other side, various forms of discrimination at the workplace, gender roles in family and difficulties in balancing private and professional life have been particularly recognised as reasons for that. This Policy Brief will point out the problems that women face in the labour market, present the main causes of the unemployment of young women and women 45+ and also offer some policy recommendations for overcoming them in the future.



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# The Vulnerability of Women in the Labour Market in Serbia

#### Introduction

Gender equality is one of the fundamental human rights and it is assumed that in one society there are equal opportunities for all, women and men, that they equally contribute to cultural, political, economic, and social progress and enjoy all of the benefits of one community.

Nonetheless, gender inequality exists today in all societies around the world, and it is rooted in the social structure and the traditional division of labour. Equality is a critical component of any society's development and is required for economic growth, social cohesion and the advancement of democracy.

Women are implicitly responsible for the job of caring for others, have a more difficult time finding paid employment and education, they are less involved in the decision-making process and have less economic power. All of this contributes to the fact that women remain at a disadvantage in society, despite claims to the contrary.

Gender equality has been a priority for the European Union (EU) since its establishment. The EU Gender Equality Strategy 2020-2025 outlines actions that will make a significant progress toward a gender-equal Europe by 2025. The goal is a Union where women and men, girls and boys, in all their diversity, are **free** to pursue their chosen life path, have equal opportunities to **thrive**, and can equally participate in and **lead** our European society.<sup>1</sup>

Furthermore, the European Union Strategic Documents are emphasising the importance of gender equality in the enlargement process. Therefore, incorporating gender equality principles into domestic legislation and ratifying the relevant acquis communautaire has become an essential part of the accession process.

Accordingly, Serbia as a candidate country for EU membership adopted several laws, a legal framework, and established necessary gender equality mechanisms, but the status of gender equality policy implementation remains a challenge.

#### Women in the labour market in Serbia

Global analyses and reports on the position of women in national states confirm that systemic gender inequality is deeply present in Serbia: according to the World Economic Forum's annual measurement of the Global Gender Gap Index (GGGI)<sup>2</sup> from 2022: Serbia ranks 23rd out of total 146 analysed countries. This index is calculated as a sum of results from the following sub-indices: economic participation and opportunities, level of education, health and survival, and political empowerment.

<sup>1</sup> European Commission, 2022, Gender equality Strategy 2020 - 2025, retrieved from Internet: <u>https://bit.ly/37XAqIE</u>, accessed on 11/03/2022, 15.15.

<sup>2</sup> World Economic Forum (WEF), 2020, Global Gender Gaps Index 2020, <u>http://www3.</u> weforum.org/docs/WEF\_GGGR\_2020.pdf, accessed on 17/03/2022, 16.05.



The United Nations Development Programme (UNDP) publishes the Gender Inequality Index (GII)<sup>3</sup> on an annual basis, which depicts gender inequality in three dimensions: reproductive health, empowerment, and economic activity. Serbia is ranked 35rd out of 162 countries in the 2019 GII index. The Social Institutions and Gender Index (SIGI)<sup>4</sup> of the Organisation for Economic Co-operation and Development (OECD) measure clear progress in political determination to achieve gender equality and assesses the development of an adequate normative framework for eliminating systemic discrimination. According to the findings of the SIGI index for 2019, Serbia's progress was rated as very low (20%)<sup>5</sup>. This index is made up of sub-indices that measure discrimination in the family.

#### All laws and strategies must recognise gender as an important component in order to facilitate and advance women's labour force participation.

The government established the Coordinating Body for Gender Equality in 2014 to promote gender equality in Serbia. A number of laws and strategies have been adopted that, in their individual provisions, regulate the position of women on the labour market, but the biggest problem is in implementation. However, different laws and regulations are unrelated and, in some ways, contradict each other. All laws and strategies must recognise gender as an important component in order to facilitate and advance women's labour force participation.

#### The position of young women in the labour market in Serbia

Young women in Serbia face gender-based discrimination when looking for work or in the workplace, as confirmed by the European Commission's Progress Report on Serbia (2020).<sup>6</sup> Furthermore, the Committee on the Elimination of Discrimination against Women (CEDAW Committee) stated that the unemployment rate among young women in Serbia is higher than among young men, and sexual harassment of young women in employment (2019)<sup>7</sup> was highlighted as a particular problem.

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<sup>3</sup> UN WOMEN, Gender Inequality Index 2019, <u>http://hdr.undp.org/en/data</u>, accessed on 17/03/2022, 18.43.

<sup>4</sup> OECD, SIGI Index 2019, <u>https://www.genderindex.org/ranking/?region=&order=field\_sigi\_value19\_value</u>, accessed on 17/03/2022, 19.53.

<sup>5</sup> OECD, SIGI 2019, Serbia, <u>https://www.genderindex.org/wp-content/uploads/files/data-sheets/2019/RS.pdf</u>, accessed on 17/03/2022, 19.53.

<sup>6</sup> European Commission, Serbia 2020 Report, <u>https://ec.europa.eu/neighbourhood-en-largement/system/files/2020-10/serbia\_report\_2020.pdf</u>, accessed on 20/03/2022, 21.43.

<sup>7</sup> Convention on the Elimination of All Forms of Discrimination against Women, <u>https://daccess-ods.un.org/access.nsf/Get?OpenAgent&DS=CEDAW/C/SRB/CO/4&Lang=E</u>, accessed on 20/03/2022, 22.51.



According to the National Youth Strategy of Serbia from 2015 to 2025, the situation of young women is particularly significant. Due to childbearing, young women are much more vulnerable to discrimination in the workplace. Young Roma women face an especially difficult situation, as they are three times less likely to be employed than young Roma men and much less than the broader youth population. Around one-fifth of young women (20.9%) and 17.1% of young males are in the NEET group, which spans the ages of 15 to 29.8 There are visible differences in the earnings of women and men: the share of young women is twice as high as that of men in the lowest income category, which includes people with incomes lower than 25,000 Serbian dinars per month.<sup>9</sup>

# Due to childbearing, young women are much more vulnerable to discrimination in the workplace.

One in every four young women and one in every seven young men<sup>10</sup> are over-educated for their job. The observed mismatch may be related to the fact that young women face more difficulties while searching for employment than young men, and are therefore forced to accept jobs that are below their educational qualifications. Furthermore, young men are much more prone to self-employment than young women (9.7% for men, and only 4.6% for young women), and they are much more likely than women to choose self-employment because of its potential to offer greater independence or higher revenue.<sup>11</sup> On the other hand, after giving birth, self-employed women receive financial compensation often lower than their salary, through which they are obliged to pay contributions in order not to interrupt the flow of their years of service.

### One in every four young women and one in every seven young men are over-educated for their job.

Specific gender components are not recognised or mentioned in most programmes aimed at improving youth employability, nor is the gender gap between young women and young men in the labour market recognised. The youth are seen as a homogeneous group and gender equality is ensured through gender-sensitive interventions that are mainly focused on the participation of young people in programmes.

- 8 Foundation Ana and Vlade Divac, 2020, The position of Neet people in the Republic of Serbia 2020, <u>https://www.divac.com/upload/document/poloaj\_neet\_mladih\_u\_republii\_srbiji\_2020.pdf</u>, accessed on: 17/03/2022, 18.18.
- 9 Sarita Bradaš, Center for Democracy Foundation, Young and dignified work, <u>http://www.centaronline.org/userfiles/files/publikacije/Mladi-i-dostojanstven-rad.pdf</u>, accessed on: 18/03/2022, 11.18.
- 10 Social Inclusion and Poverty Reduction Unit, 2017, Transition from school to job: Young People in the Serbian Labor Market, <u>https://socijalnoukljucivanje.gov.rs/en/school-to-</u> work-transition-young-people-in-the-serbian-labour-market/, accessed on: 19/03/2022, 12.09.
- 11 Dragana Marjanovic, International Labour Office, 2016, Youth transition women and men in the labor market Republic of Serbia, <u>http://www.ilo.org/wcmsp5/groups/public/@ed\_emp/documents/publication/wcms\_488799.pdf</u>, accessed on: 25/03/2022, 20.05.



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#### The position of 45+ women in the labour market in Serbia

About 420,000 women in Serbia between the ages of 45 and 64, according to the 2020 Labour Force Survey, fall into either the category of unemployed or inactive in the labour market. Statistics also demonstrate that after the age of 45, women's employment drops, whilst men's work does not. The biggest difference lies in the number of individuals inactive in the labour market between the age of 55 and 59 - that number is almost 100,000 for women, while only about 50,000 for men.<sup>12</sup>

When compared to women aged 45 and over to younger women and men, it can be seen that they have a lower employment rate. When compared to "peer" men, it can be seen that the gender gap is large - 20% fewer women that are unemployed are actively looking for employment, while men are leading in employment by 18%.

#### Statistics demonstrate that after the age of 45, women's employment drops, whilst men's work does not.

Education is very important for positioning in the labour market in Serbia for all categories of the population. It is the same with women older than 45. Those with higher education are significantly more likely to be employed than women with secondary and especially lower education. Most low-skilled women (with no education or mostly with completed primary school) are inactive at this age.

While women in Serbia are more often employed than men, they are less likely to engage in entrepreneurship or self-employment. In addition, women in this age group are the most likely to be in the status of helping members of the family business. This is a category of employees that is especially vulnerable because it does not indicate profit or employment-based social rights. The 2008 survey on the position of women in the status of helping household members (the only such survey) showed that as many as 40% of women in this status were previously employed outside agriculture. The right to protection in old age is exercised by a small number of women who are in the status of the family labour force. Two-thirds of these women did not invest in pension and disability insurance, and more than a quarter used to do so but stopped due to their unfavourable financial situation. This directly endangers their well-being in old age and forces them to prolonged activity, which often involves hard physical work in conditions of reduced physical ability.

"As long as you can work, you will be able to live. When you can no longer work, you will not be able to live."  $^{\prime\prime13}$ 

# While women in Serbia are more often employed than men, they are less likely to engage in entrepreneurship or self-employment.

Compared to employed men of the same age, women over the age of 45 are less likely to be employed in the occupations of managers, officials, craftsmen, and production workers. They are more represented in the social services sectors (education,

<sup>12</sup> Republic Bureau for Statistic 2021, Labor Force Survey in the Republic of Serbia, str 51, https://publikacije.stat.gov.rs/G2021/Pdf/G20215671.pdf, accessed on: 25/03/2022.

<sup>13</sup> Babović, M., Vuković, O. (2008), Seoske žene u statusu pomažućih članova domaćinstava: položaj, uloge i socijalna prava, UNDP, Belgrade.



health, etc.) and work for lower wages, even when they do work of the same value as men and have the same qualifications (e.g. level of education and length of service).

According to 2016 salary data, earnings for older workers are generally greater than for younger people. However, women aged 45 and over have lower earnings on average not only than their "peers" but also than younger men.<sup>14</sup>

"Young people came with high school diplomas and children were appointed to managerial positions. My boss was five years younger than my daughter. I was exposed to mobbing. I stayed at work until the end of 2015 when I was declared redundant together with a large group of colleagues, as many as 30 percent of the working body. At that time, I was 59 years old and had 32 years of experience."<sup>15</sup>

# Causes of unemployment among young women and 45+ women in Serbia

The listed data indicates that in Serbia young women have greater difficulties in entering the labour market than young men, while older women are more likely to be excluded from the labour market than men of the same age.

Some of the main causes of unemployment among young women, but also among women older than 45 in Serbia are: education, gender blind policies, mismatch between education and labour market demands, and balance of private and professional life.

#### Education

Serbian society is still characterised by patriarchal norms and aspirations toward traditionally established patterns, which can be seen in education. When it comes to secondary education, the biggest disparity arises when it comes to gender. Patriarchal divisions of responsibilities and interests severely limit education's ability to meet its development goals. The disparity then frames the path, possibilities, and opportunities that the young person encounters in later life.

Gender segregation in education manifests itself in a greater concentration of girls in social and humanistic fields, areas of care for others, as well as general and high schools. In secondary vocational education, gender segregation is even more pronounced.

When looking at the statistics and comparing women's and men's participation and coverage in the formal education system, nearly the same number of young women and men attend and complete high school. However, the proportion of women among graduate students is close to 60%. On the other hand, when it comes to teaching staff, particularly in higher education institutions, women's participation is less than 50%.

# Long-standing norms and discrimination against women can only be addressed when gender is addressed at all levels.

<sup>14</sup> Women at the Crossroads Association, 2017, Denial of the right to decent work: The Labor Market in Serbia, <u>http://www.zenenaprekretnici.org/wp-content/uploads/2017/11/</u> Zene-plus-45-cele-publikacija.pdf, accessed on: 25/03/2022, 17.09.

<sup>15</sup> Women at a Crossroads Association, Roadmap of Encouragement, 2017, Belgrade.



The aforementioned educational elections are at the core of later labour market inequity. Young women, in particular, have a far harder time finding job in these industries, and their compensation is much lower. More emphasis should be placed on improving the quality of education at all levels, reforming the curriculum, providing more extra-curricular activities that address gender issues, and providing financial assistance to disadvantaged women in order for them to complete university degrees, as well as providing incentives to pursue STEM subjects. Long-standing norms and discrimination against women can only be addressed when gender is addressed at the all levels.

#### Gender-blind economic policies

Serbia's economic policies aim to achieve a certain level of inclusive economic growth that benefits both young women and men equally, the reality is frequently different. Economic and employment policies routinely perpetuate the gender divide by benefiting men more than women, particularly in terms of access to economic opportunities, incentives, and stimuli, as well as policies promoting job creation and economic growth.

#### Serbia's economic policies aim to achieve a certain level of inclusive economic growth that benefits both young women and men equally, the reality is frequently different.

Generally, the problem in Serbia is not a lack of employment opportunities but also opportunities created to encourage young women to enter the labour force or older women to re-enter the labour force. Active labour market policies in Serbia, aided by labour market information systems and analyses of current and future human capital supply and demand, can also be used to influence targeted job creation. One critical prerequisite is a diverse, balanced, and healthy economic structure that allows for a fair distribution of growth. This can only be accomplished through a diverse workforce and job creation in a variety of sectors that target young women and older women, including different geographic regions and skill levels. The availability of sex-disaggregated data can be useful in monitoring the impact of economic policies on job creation for women and men, particularly in estimating their impact on the employment of young or old women in various sectors and regions, as well as taking into account the nature, quality, and wages of jobs created. Monitoring is also important for identifying emerging issues and challenges that necessitate policy and programmatic action.

#### The mismatch between education and labour market demands

Education, employment, and economic policies and programmes in Serbia are generally designed in isolation from one another and do not always work together toward the same goals, resulting in educational policies producing graduates who are incompatible with the current and future labour market needs.

The prevalent social and cultural beliefs discourage young and older women from entering the labour force. Educational choices for young women are limited by socially imposed labels that identify specific areas of the labour market as appropriate or inappropriate for young women, discouraging young women from pursuing education and employment in a broader range of sectors, opportunities, and geographic locations that are available to young men. Older women are being squeezed



out of the labour market as a result of patterns of discrimination against older women that stem from employers' attitudes and their lower evaluation of the characteristics of women of various ages and their workforce. This entails addressing the social and cultural prejudices that perpetuate negative attitudes. Young and older women can be encouraged to participate more broadly in various walks of life.

# The prevalent social and cultural beliefs discourage young and older women from entering the labour force.

#### Balance of private and professional life

Women's well-being is dependent not only on their labour-force participation but also on how they balance family life and business obligations.

Despite the fact that many economic factors contribute to the problems mentioned above, in Serbia, the difficulties in balancing private and professional life have been specifically identified as a reason that contributes to the high level of female inactivity in the labour market, as well as an impediment to climbing the career ladder. In most cases, inactive women stopped working when they started a family, or they never looked for work for the same reason. At the same time, a lack of child care facilities and the need to do household chores are impediments to professional development and advancement.

"Employment means fulfilment and satisfaction. For a woman to be confident in herself, to have her own identity. To have self-esteem. She is independent of other people's opinions and able to change herself and influence her environment. And she can change what doesn't suit her."<sup>16</sup>

Unemployment further weakens the position of women within the family and makes it more difficult to take care of the family. Usually, unemployment status creates difficulties in family life, starting with those existential problems related to satisfying basic needs, changing spending habits, etc. For this reason, single mothers often agree to very unfavourable jobs to ensure a basic existence for themselves and their children. Women are also at a disadvantage relative to their husbands when it comes to job loss and long-term unemployment. Some women are constantly chastised for failing to contribute to the home budget. The rebuke comes not only from the husbands but also from the women who live in the community with their parents and from the wider family.<sup>17</sup>

#### Women are also at a disadvantage relative to their husbands when it comes to job loss and long-term unemployment.

The joint reason for inequality in the labour market for young women and women 45+ is a **gender stereotype** that persist in the belief that men and women in Serbia should play different roles in society. Such assumptions restrict individual choice, resulting in squandered talent and untapped potential, skill gaps, and lower pay for jobs

<sup>16</sup> Babović, M. (2007), The position of women in the labor market in Serbia, UNDP, Belgrade.

<sup>17</sup> Ibid.

perceived to be "women's work". Stereotyping influences what women do at home and how they are treated, which influences the subjects they choose at school, limiting their future job and career options, and contributing to stereotyped views in the home. And it is present in the education through textbooks and school programmes a root of traditional roles in Serbian society. There is a disconnect between what young people believe are appropriate jobs for men and women and the choices they make for themselves, which frequently adhere to traditional stereotypes.

#### **Conclusion and policy recommendations**

Serbia has set of laws which determine the legal framework in the areas of the position of women in the labour market: Constitution of the Republic of Serbia, Labour Law, Law on Prohibition of Discrimination, Gender Equality Law, Law on Employment and Unemployment Insurance, Law on Prevention of Violence at Work, Law on Financial Support for Families with Children, Law on Agency Business as well as strategies and action plans. The two most important are Law on Prohibition of Discrimination and Gender Equality Law and they are harmonised with EU legislation, however, difficulties arise in their implementation. Stronger measures are necessary to encourage a greater role of women in the labour market, such as flexible working hours, as well as encouraging the possibility for fathers to also take childcare leave.

Furthermore, the pandemic has shown the burden of unpaid work and children's education on women. Women perform three times more unpaid work, and this has increased even more during the pandemic, since children stayed at home. On a positive note, men, who also had to work from home, seem to have become more aware of the burden of unpaid work on women.

#### Women perform three times more unpaid work, and this has increased even more during the pandemic, since children stayed at home.

The unemployment rates of young women are higher than those of older women. If we look at the data for each category and looking at the data alone does not necessarily tell the whole story. The high unemployment rate of young women stems mainly from the characteristics of the labour market and less from their personal attributes. On the other side difficulties faced by unemployed older women when searching for a job are more a function of their age than the overall business environment.

Serbia must use different approaches to address both issues, youth women unemployment, and older women unemployment. Creating more jobs will assist young people in entering the labour force. Increasing the minimum wage and supplementing older women income with earned income tax credits will assist older women in re-entering the labour force.

Discrimination against women in the labour market is a common occurrence and one of the primary causes of women's unequal social status. It manifests itself in either low labour force participation rates or various forms of workplace discrimination against women that favour men. Even though this type of discrimination exists in the most developed countries, it is more pervasive and damaging in patriarchal societies such as Serbia, where gender roles in the family, as well as gender-stereotyped jobs, are the primary causes of women's unequal position in the labour market.

Inequality and discrimination against women in the labour market contribute to the perpetuation of the current global economic system, which is exacerbated by gender stereotypes and flaws in laws and public policies. Economic thinking prevails,



frequently failing to recognise the economic value of women's unpaid work and care for others, and thus favours men's macroeconomic policies that are harmful to women and exacerbate structural inequalities.

The number of unemployed young and 45+ women in Serbia, and the resulting loss of their potential, is reason enough to take concrete action addressing the root causes of young women's unemployment, as well as moving toward a policy framework in Serbia that empowers them in all walks of life. The recommendations below could assist in addressing the aforementioned challenges:

- Including a gender perspective in employment policies (labour market analysis and measures to improve the position of young women and women 45+), thus addressing the systemic causes of labour market inequalities;
- Introducing comprehensive programmes and support measures for employment of women and empowering of women in order to create a push factor for young and older women to join the labour force. Creating incentives for young women to pursue education in fields where job growth is expected, strengthened quotas for young women in employment and government-supported enterprise development schemes, improving the career guidance system, developing mentoring programmes in gender equality sectoral policies, etc.;
- Child protection and elderly care institutions should be organised in such a way that women can balance family and business life;
- Improving the system of employment protection and preventing discrimination, which disproportionately affects women, is a necessary condition for the full realisation of guaranteed human rights and women's rights to equality and freedom from discrimination, and thus constant monitoring and harmonisation of the legal framework with international standards is required.



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